DOCUMENT RESUME

ED 251 184 PS 014 717

AUTHOR Touhsaent, Susan M.
TITLE Cutting Welfare Benefits to Working Mothers. Federal Government Retrenchment: Issues of Fairness, Cost Effectiveness, and Services.
INSTITUTION Center for Governmental Research, Inc., Rochester, NY.; Human Services Data Sharing Project--Monroe County, Rochester, NY.
PUB DATE Dec 83
NOTE 67p.
PUB TYPE Reports - Research/Technical (143)

EDRS PRICE MF01/PC03 Plus Postage.
DESCRIPTORS Coping; Economically Disadvantaged; Employed Women; Family Characteristics; *Financial Problems; *One Parent Family; *Public Policy; Retrenchment; Surveys; *Welfare Recipients; *Welfare Services
IDENTIFIERS *Aid to Families with Dependent Children; Food Stamp Program; Medicaid; New York (Monroe County); Termination of Benefits

ABSTRACT

To facilitate planning of services to low income, single-parent working women with young children, a client impact study was made of former recipients of Aid to Dependent Children (ADC) in Monroe County, New York. Those surveyed had lost their supplementary income and related benefits due to mandated eligibility constraints in the federal Omnibus Budget Reconciliation Act of 1981. The study took place in the spring of 1983 and focused on 292 ADC families (592 children and 297 adults) terminated from the welfare rolls in January, 1982 (approximately three percent of the ADC caseload at that time). Findings described these families and compared their characteristics with those of the 1979 New York State ADC population (excluding New York City) and/or the Monroe County ADC population in 1980. Other findings concerned redependency, or return to the welfare rolls: potential problem areas facing those families; and former clients' methods of coping with loss of benefits. While the major thrust of this paper is to report survey findings, results are discussed in terms of 10 areas of policy concern. Policy conclusions oriented toward activities that can be locally initiated and implemented are offered. Survey methodology is described in an appendix. (RH)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
X This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

Center for Governmental Research Inc.

Human Services Data
Sharing Project
Monroe County, New York

Client Impact Survey
(12/83)

ED251184

CUTTING WELFARE BENEFITS TO WORKING MOTHERS

Federal Government Retrenchment. Issues of Fairness, Cost Effectiveness, and Services.

Federal Cutbacks: Facts/Issues/Local Effects

This is one of a series of background papers intended to provide accurate, objective, and comprehensive information regarding the content and effects of new federal approaches to the funding and delivery of human services at the local level--and specifically focusing on effects in Monroe County. Titles of other papers are listed below.

This paper focuses on a study of families receiving Aid to Dependent Children (ADC) funds who were terminated from the welfare rolls in January, 1982 as the result of federal changes. The study took place in March and April of 1983. It describes the characteristics of those cut, the effects of cuts on forcing families back on welfare, as well as the problems encountered by those cut. Policy conclusions are presented.

Any comments or questions concerning this paper should be raised with the contacts listed on the back of this page. Copies of this and other available papers may be obtained from the same contacts.

OTHER AVAILABLE PAPERS IN THIS SERIES

- AFDC [Release #1 (7/82)]
- Title XX Services [Release #1 (10/82)]
- Food Stamps [Release #1 (10/82)]
- Medicaid [Release #1 (10/82)]
- Services to the Elderly [Release #1 (11/82)]
- Medicare [Release #1 (11/82)]
- Employment and Training [Release #1 (1/83)]
- Mental Health Services [Release #1 (1/83)]
- Low/Moderate Income Housing [Release #1 (5/83)]
- Income Eligible Day Care Client Impact Survey [12/83]

PS 014717

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY
Dianne Salopek
TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

HUMAN SERVICES DATA SHARING PROJECT
Monroe County, New York

Federal and state government budget cuts and redirections that are occurring are having an effect on the programs of local human service agencies and funders.

To help this community deal with the changes that are taking place, nine local planning and funding organizations have joined together in a project aimed at gathering and sharing data that will help funders and providers in the community plan for the future.

Project sponsors include: the City of Rochester; the County of Monroe; the United Way of Greater Rochester; Catholic Charities; the Genesee Ecumenical Ministries; the Jewish Community Federation of Rochester; the Urban League; the Rochester Grantmakers Forum; and the Center for Governmental Research. Information gathered by the group will be shared with the entire community.

Sponsors of the project hope to gather accurate, objective information about specific program changes and how they may be expected to affect needy families and individuals in the region. The project will attempt to build baseline data about the kinds of programs and types of people that will be most severely affected by the cuts.

Program Topics Under Study

AFDC	Services to Elderly
Title XX	Mental Health Services
Medicaid	Public Health
Medicare	CETA/Training
Food Stamps	Housing
Education	Community Development
Cultural Activities	Community Action
Child Day Care	

CUTTING WELFARE BENEFITS TO WORKING MOTHERS

FOR COMMENTS/QUESTIONS/COPIES OF THIS PAPER
PLEASE CONTACT:

Principal Author: Susan M. Touhsaent, Senior Research Analyst
Center for Governmental Research Inc.
325-6360 (or Alan Taddiken, Project Director)

Other Contributors:
William R. Carreo, Deputy Director for Income Maintenance
Monroe County Department of Social Services
442-4000
Dan Ross, Planning Coordinator
Monroe County Department of Social Services
442-4000

Steering Committee Contacts:
Charles Mulligan - 328-3210
Tom Toole (454-2770)

Acknowledgements

The Center for Governmental Research wishes to acknowledge the support it received from many sources during the conduct of this study. Sarah Liebschutz, State University College at Brockport, provided special assistance in questionnaire development and through provision of students as volunteer interviewers. Charles Mulligan, Diocese of Rochester, and Lawrence Witmer, Genesee Ecumenical Ministries, also assisted through volunteer recruitment. William Hohman and Linda Russell of the Monroe County Department of Social Services guided us through their computer systems and helped in the understanding of, and tailoring of data collection to, the complexities of DSS regulations. William Carreo and R. Danforth Ross, also of the Department of Social Services, provided comment and guidance throughout the project.

TABLE OF CONTENTS

	Page
POLICY OVERVIEW/SUMMARY	
I. INTRODUCTION AND METHODOLOGY	1
A. Background and ADC Program/Changes	1
B. Report Overview	4
II. FINDINGS	7
A. Characteristics of Terminated Population	7
Family Size	7
Age of Family Members	8
Ethnicity	10
Geographic Location	11
Income	11
Welfare Support	12
Lost Benefits	14
B. Redependency	16
Current Welfare Status of Terminated Population	16
Welfare Redependency from Termination to Present	17
Factors Associated with Redependency	19
C. Other Effects (Survey Results)	21
Food	21
Clothing	21
Medical Care	22
Housing	23
Utilities	25
Debt	25
Number of Problem Areas	25
Children	26
Loss of Other Benefits	26
Life in General	27
D. Methods of Coping (Survey Results)	28
Employment	28
Other Income Sources	30
Food	31
Housing	32
Debt	32
Child Care	33
Help from Organizations	34
Reapplication for Welfare	35
III. POLICY CONCLUSIONS	37
TECHNICAL APPENDICES	45
Survey Methodology	45
Sample Bias and Limitations of Current Research	50
NOTES	53
QUESTIONNAIRE (separately paged)	56

Cutting Welfare Benefits to Working Mothers

POLICY OVERVIEW/SUMMARY

Background

Providing for such basic necessities as food, housing, clothing, and child care are among the increasing problems faced by low income, single-parent working women with young children. This fact is a troubling feature of the last decade throughout the nation and state. In Monroe County, the number of female-headed families with incomes below the poverty level increased by 88.4 percent between 1969 and 1979 (from approximately 3,900 to 7,300 families). Such families represented 63 percent of all poor households in 1979.

Within this setting, cutbacks by the Reagan administration in federally supported human services, particularly for those near or below the poverty level, were viewed with alarm. Dozens of programs assisting low income persons were reduced. Among these, the major program aimed at assisting families with children (Aid to Families with Dependent Children--AFDC or ADC) was cut back in a number of ways. In federal fiscal year 1982 alone, twenty-two changes in AFDC regulations were identified by the Human Services Data Sharing Project. Several were viewed as having major effects by either further limiting eligibility for the program or reducing benefits for those still eligible. Arguably, those hardest hit were the nearly 300 families in Monroe County who lost eligibility because they exceeded the state's so-called "standard of need." These families included nearly 900 individuals: 600 children and 300 working mothers.

The State's standard-of-need is a federally required but state-set concept of income used in determining eligibility for AFDC. It is currently set at approximately $5,000 for a family of three. This standard, which is approximately 42 percent <u>below</u> the federally determined poverty level, is undoubtedly inadequate for determining need both in New York State (which actually has one of the more generous standards) and throughout the nation. Yet, it was this standard that was used for calculating a new ceiling (or cutoff level) for AFDC--to be set at 150 percent of the standard-of-need. Currently, 150 percent or New York's standard-of-need is approximately $7,500--or 8.5 percent below the poverty level.

Thus, the fact that the number of poor female-headed households is increasing in Monroe County (at a rate faster than at the State or national levels) combined with cutbacks in services to these types of families produced a need to learn more about those families losing benefits in terms of their characteristics and ability to survive as families. The project report on survey findings examines such issues as well as fairness, cost effectiveness, and supportive community services. This summary presents an overview of several policy concerns as well as highlights of major findings presented in or based on the full project report.

Policy Concerns

Reconsider Federal Change. The State could create a substitute State/local program without federal support. Due to fiscal constraints, this is not the state's policy— although some federal cuts were absorbed. The appropriateness of the State's policy will not be discussed. Thus, issues raised in this paper are oriented toward those that can be locally addressed--perhaps within an awareness of a need for local participation at the national level to reconsider federal policies with respect to the fairness and cost effectiveness of eligibility thresholds and other issues.

Local Challenges. A local challenge exists to understand the needs of terminated clients and assess the appropriateness of the community's response. These needs are on two levels:

a. To provide for basic subsistence.

b. To provide long-term support to maintain independence from welfare.

Unmet Needs Identified. The survey conducted of terminated ADC cases identified key subsistence programs of importance to terminated families: food/nutrition; medical; housing, utilities. In nearly all of these cases, a majority of families losing benefits indicated unmet needs. Programs exist locally to address these needs. However, despite the existence of these services, survey respondents indicated continuing problems. This circumstance relates to factors of inadequate program capacity and/or service accessibility.

Limited Program Capacity/New Needs. Nearly all of the subsistence-type programs mentioned have limited capacities--often taking only priority need cases or allocating services on a first-come-first-served basis. All of these programs have been affected by not only general welfare cutbacks (such as the families with increased needs in this survey) but also by related federal program cutbacks in nutrition programs, health system grants, housing grants, and energy grants. In addition, federal regulatory actions have tended to inflate the cost of both housing (high interest rates) and energy (deregulated pricing). The need to expand the capacity of such subsistence programs has been recognized by New York State, local governments, and private human service funders like the United Way. Ironically, even the federal government has recognized this need--while at the same time keeping income maintenance policies (e.g., the 150 percent of standard-of-need cutoff) which increase the demand for stopgap emergency programs. Local human service agencies can expect continued pressure for basic subsistence services as long as the federal government maintains unrealistically low cutoff points for income assistance.

Program Accessibility Issue. While 87 percent of the respondents indicated at least one problem area, help was sought out from organizations by only approximately 25 percent. This raises issues concerning both the motivation of these families and the adequacy of their knowledge about existing programs as well as the parallel issues of agency outreach and public information efforts.

New Efforts. Related to the above point, and as suggested elsewhere in this summary (under "Service Need Indicators"), more effort may be required to publicize the availability of basic services. Indeed, a better understanding of why certain families (i.e., those under considerable stress) do not seek services may be a prerequisite to improving the accessibility and actual use of services. A related point (also mentioned below), suggests that there is a need for an interagency procedure to keep track of service requests and denials. Such a procedure would serve to protect against unfair or inappropriate service decisions with respect to a given family as well as certain types of families. The level of service requests is likely to be related to a family's experience with denials--a very negative motivator. The policy reason for pursuing these matters concerns the obvious one of prevention or early problem solving. If solutions to family problems are not pursued because a working mother "drops out" under the stress of a negative services atmosphere, more serious health and social problems may occur later and may require far greater public involvement and expense at that point.

Employment Related Services. Cost effectiveness also argues for assisting low income women with children with their longer term needs for maintaining welfare independence. This survey identifies the most in need as young household heads with young children and a background of short job tenure. Programs designed to assist these families, particularly those currently employed and not receiving income assistance, might include day care services and other supportive services. These services would serve to reinforce employment efforts without sacrificing basic family needs--while keeping such families off major welfare dependency. Families currently receiving public income assistance would be best served by employment assistance services, including job readiness training, remedial education, and job search and placement programs.

Day Care Voucher. This survey indicated that United Way day care subsidies might be more effective in reaching certain working mothers if they took the form of a more flexible voucher system (see discussion below under Summary of Findings, Day Care/Service Need Indicators).

Employment Training. The survey indicated that some working mothers had actually lost job training services. Furthermore, it may be that the overall level of employment services available in the community has declined. It is clear from this survey that failing to provide employment services to the population under study will create higher costs in welfare redependency. Social service agencies, in addition to the Department of Social Services, as well as public and private sector economic development efforts must play a part in reducing welfare dependency. An explicit focus needs to be given to this population so that resources and programming are fairly and cost effectively allocated.

Summary of Findings

The following paragraphs attempt to summarize the major findings of this survey. The findings cover ten areas of policy concern:

1. Characteristics of families losing eligibility;
2. Income characteristics/size of loss;
3. Dependency issue;
4. Problems associated with loss of assistance;
5. Loss of other benefits;
6. General feelings about life situation;
7. Unemployment: service need indicators;
8. Food: service need indicators;
9. Day care: service need indicators;
10. Seeking help: service need indicators.

CHARACTERISTICS OF FAMILIES LOSING ELIGIBILITY

Who Lost Benefits? On December 31, 1981, 292 low income families were terminated from ADC. These families included 889 individuals--592 of whom were children and 292 were working mothers.

Size/Composition of Families? Nearly all families losing benefits were ones with single-parents. Nearly 21 percent of these families had 3 children, 32 percent had 2 children, and 39 percent had 1 child present.

Age of Children? On average the children losing benefits were 8.9 years of age. Nearly 12 percent were under 3 years, 18 percent were between 3 and 5 years, and 19 percent were between 6 and 8. Only 6.2 percent were 17 and older.

Age of Parent? The average age was 32 years, nearly 29 percent were between 25 and 29 and another 29 percent were between 30 and 34, and 30 percent were 35 or older.

Ethnicity? Fifty percent were black and 41 percent white, with 6.5 percent hispanic.

INCOME CHARACTERISTICS/SIZE OF LOSS

Income in December, 1981? Families losing benefits had average gross annual incomes of $8,400 at termination in December, 1981. This income level was eight percent above the poverty level at that time and compares to an estimated 1982 median family income of $30,320 in Monroe County.

Welfare Support Before Termination? On average, the families involved had been receiving $128 monthly in supplementary income from ADC or $1,536 annually.

Loss of Food Stamps? Of those receiving Food Stamps (in 12/81), approximately 45 percent (72 families) also lost Food Stamps with an average value of $55.13 monthly.

Loss of Medicaid? Approximately 169 families also lost Medicaid coverage for medical expenses (after a four month grace period following the 12/31/81 termination of ADC).

Combined Losses? In almost two-thirds of the cases, losses to terminated families went beyond the ADC check and included Food Stamps and/or Medicaid. The average total loss of supplementary income and Food stamps was nearly $156 per month. (No value was calculated for Medicaid loss.) In addition, 38 families lost day care subsidies and 82 families lost fuel cost subsidies (direct payments by the Department of Social Services).

Income in March, 1983? By March, 1983, the average gross income of the terminated families had remained essentially stable with respect to the poverty line. Income was $9,073 or 110 percent of poverty.

DEPENDENCY ISSUE

Employment? Fourteen months after termination, eighty-two percent of the respondents said they were employed. Clearly, families had been receiving welfare out of necessity, not preference. Large numbers of terminated recipients did not quit their jobs or lose them for the purpose of returning to welfare. The 82 percent who remained employed did so despite the fact that the Monroe County unemployment rate was 6.2 percent at the time of termination in January, 1982 and 8.0 percent at the beginning of the survey process in March, 1983.

Employment Efforts? Nearly all the employed respondents were working full-time, 35 or more hours per week. Nine percent have taken on another (second) job. An additional 22 percent are working more hours. The reason most gave for working more hours was that they needed more money.

Time on Job? On average, respondents had spent a little over three years on the job (with a range of one week to 13 years).

Returns to Welfare? Of the 292 terminated families, 15.4 percent (45) were active on ADC or Home Relief on March 15, 1983--over 14 months after initial termination. Another 24 families were receiving only Medicaid and Food Stamps.

Returned Families Welfare Support? On average, families returning to welfare received $384 monthly (ADC + Food Stamps) as opposed to $156 in 1981; thus indicating an apparent increase in welfare dependency for those returning.

Welfare Dependency from Termination to Present? Approximately 130 families (45%) had contact with the welfare system over the 14 months following termination. Of these, 73 families were reopened on welfare--of which 45 (mentioned above) were still open at the time of the study and 28 inactive. Sixty-four families received Emergency Assistance while 26 families applied for welfare but were denied.

Redependency Factors? Household heads less than 25 years old were more than twice as likely to be reopened as older heads. The younger head is coping with the demands of young children as well as weak attachment to the work force. Other factors significantly associated with return to welfare were: presence of child(ren) under three; presence of two children under six; unemployment of household head; employment of less than one year on current or last job.

Reasons for Reapplying to Welfare? Survey respondents usually reapplied for welfare because they had lost their jobs, suffered reduced wages, and lost some other income source. Other reasons for reapplying related to pregnancy or health. A number of families reapplied because they wanted help with obtaining child support, day care, or medical care.

PROBLEMS ASSOCIATED WITH LOSS OF PUBLIC ASSISTANCE

Food Problems? Over half the respondents indicated that since losing welfare there had been times when their families did not have enough to eat. For nearly two-thirds of these families, the problem of hunger had increased since losing welfare assistance.

Clothing Problems? Nearly 40 percent indicated that their children had lacked appropriate clothes for school or for winter weather--with most reporting more of a problem after losing welfare.

Medical Problems? Even though most of the families have some type of medical insurance, 42 percent said they have had family medical problems for which care was not received. The most common problems concerned teeth and gums. Most respondents said they did not seek treatment because they could not afford it.

Housing Problems? Over half of the respondents said they have been late with rent or mortgage payments since losing welfare. Most said they are late more often than when receiving assistance.

Utility Problems? Seventy-two percent of the respondents said they were late paying utility bills since losing welfare. At least 15 percent had had their utilities cut off.

LOSS OF OTHER BENEFITS (12/81-3/83)

Experienced Other Losses? Sixty-four percent said that they had been significantly affected by the loss of other benefits since the loss of ADC.

Losses Most Mentioned? Food stamps and Medicaid losses were most often mentioned. Indeed, some families felt that loss of these benefits affected them more than losing ADC.

Multiple Loss of Benefits? Slightly more than 45 percent of the respondents lost at least 2 or 3 benefits, 10 percent lost 4 benefits, 8 percent lost 5 or more benefits (including ADC).

Examples of Other Lost Benefits? Other lost benefits included child care subsidies, housing, school lunch, job training, special nutrition programs as well as Medicaid and Food Stamps.

GENERAL FEELINGS ABOUT LIFE SITUATION

Current Situation? Forty-one percent of the respondents said they felt worse off since losing public assistance, while 34 percent actually felt better off and 21 percent saw no difference.

Future Situation? Forty-eight percent of the respondents felt that a year from now things would be better for them. However, 17 percent felt that life next year would worsen and 18 percent saw no change likely.

UNEMPLOYMENT/SERVICE NEED INDICATORS

Unemployment? Of the 18 percent of the respondents who lost their jobs after termination, approximately 58 percent had been laid off, 21 percent experienced changes in life situations (pregnancy, child care needs, moving, etc.), 12.5 percent had health problems, and 8.3 percent were fired.

Job Search? Nearly two-thirds of those out of work were actively looking for employment--using a variety of job search methods.

Job Opportunities? Not surprisingly, unemployed respondents found the lack of available jobs to be the major problem.

Other Obstacles to Employment? Lack of specific skills, experience, and transportation were also identified as obstacles to employment in a number of cases.

FOOD/SERVICE NEED INDICATORS

Obtaining Adequate Food? Fifty-four percent of all surveyed families reported having to resort to additional methods for obtaining food beyond purchasing it with their own money.

Food Problem Greater Since Termination? Nearly half of those resorting to alternative methods for obtaining food indicated that they had had to begin these methods only since termination.

Methods Used? Alternative methods for obtaining food included gardening, going to local agencies, and relying on friends or family to supplement available food. As noted previously, however, even given these efforts, over half of the families experienced times when they did not have enough to eat and that this problem had increased since losing welfare.

DAY CARE/SERVICE NEED INDICATORS

Arrangements? Approximately half of the respondent families pay for child care services. Of these, one-third are receiving a United Way subsidy and have their children in a day care center.

Applications for Subsidy? Of the nearly 68 percent of the families not receiving a United Way subsidy, only about 6 percent had applied.

No Subsidy Needed? This apparent lack of interest in United Way subsidy may be explained by the type of child care arrangements chosen by these needy families. Nearly 84 percent had used relatives or private sitters--while the remainder used day care centers or other arrangement for which a United Way subsidy was not currently available. The use of a more flexible voucher system may allow United Way subsidies to reach more needy families for whom current eligible day care centers are not convenient or accessible.

SEEKING HELP/SERVICE NEED INDICATORS

Families Seeking Help? Since losing welfare, only 25 percent of the respondents said that they had gone to agencies other than the Department of Social Services for help. While the survey structure may cause an underestimate of those seeking help, this rather low proportion, given the stress on the families in question, suggests that more effort may be required to publicize the availability of certain basic services. A better understanding of why such families do not seek services may be a prerequisite to improved accessibility and actual use of services. This may be particularly true in the case of nutrition services and day care. It may also be, of course, that some services will require a redesign if they are to be responsive to more of those in need.

Responsiveness of Agencies? In general, respondents reported that they received the help that they requested. However, with the exception of the churches, as a group, more respondents sought help than actually received it from the given service agency. The fact that some families are not receiving requested help suggests that an interagency scheme to keep track of service requests/denials may be useful in preventing unfair or inappropriate service decisions with respect to a given family or type of family. Follow-ups with families requesting services should be considered--especially if the family is of the stressed type covered by this survey. Alternative methods and programs for accomplishing such a follow-up procedure need to be identified and pilot tested. The possible use of volunteers for such follow-up might offer a practical and achievable approach.

I. INTRODUCTION AND METHODOLOGY

A. Background and ADC Program/Changes

Background

This survey was undertaken because of the need for more information about the effects of service and resource changes on individuals and families ("clients") in Monroe County. Information on the effects of lost benefits on clients was found to be either inadequate for planning purposes or completely unavailable (see various other project papers referenced on the title page). This survey of ADC clients losing supplementary income and related benefits is one of two conducted during the Human Services Data Sharing Project. The second survey focuses on families losing day care subsidies.

These client impact studies are contributing to a local understanding of what is happening to clients losing services. Such studies should assist in focusing planning efforts, examining existing policies, and prioritizing the use of public and private funds.

In addition to the limited analysis contained in this report, the results of the ADC Survey are presented for study by program administrators and other members of the community. Indeed, the major orientation of this report is toward the objective presentation of survey findings. Further analysis for policy implications and program planning, beyond what is contained in this report, is probably desirable. A computer-based survey data set with documentation is available for further analysis through the Research Center--in addition to the tabulations presented here.

A description of the federal program and related change which affected nearly 300 Monroe County families and stimulated this study is presented next, followed by an overview of the report and additional background. The survey methodology and questionnaire used appear in the Appendix.

ADC Program/Changes

The Aid to Dependent Children (ADC) program is the major federal income maintenance program for low-income families administered locally by the Monroe County Department of Social Services (DSS). It provides financial assistance to families with dependent children who do not have adequate means of financial support because of the absence, death, incapacity, or in certain circumstances unemployment of a parent.

In Monroe County, the statistic used most often to portray the size of the ADC caseload is the number of open cases on the last day of the month. Caseload statistics for the last several years show that the ADC caseload peaked in February, 1976 at 9,428 cases[1] and then began a fairly steady decline until September, 1979 (7,709 cases); DSS attributes this decline to improving economic conditions. Caseload size rose again to 8,674 cases in March, 1981 when it again began to decline, though not consistently through June, 1982 (8,091 cases). The number of cases has been increasing since then, and in July, 1983 surpassed the 1976 peak. In August, 1983 the caseload stood at 9,686 families.

The Omnibus Budget Reconciliation Act (OBRA) of 1981 mandated a number of federal regulation changes which restricted eligibility for ADC.

Perhaps the largest impact, but by no means the only impact, resulted from restricting the receipt of ADC grants to families whose total gross incomes are less than 150 percent of the state standard of need for their household sizes.[2] For example, in New York State, the standard of need for three persons is a maximum of $411 per month[3] ($4,932 per year). Thus, all three-person families with gross incomes of more than $616.50 per month ($7,398 per year) became ineligible for supplementary ADC benefits as a result of the federal change.

Prior to the institution of this income limit regulation, eligibility was based on net income--income available to the family after the subtraction of work- related expenses such as federal and state income taxes, Social Security, lunch and transportation, union dues, child care. No limitation was placed on gross income; if a family's net income were less than the appropriate standard of need (e.g., $411 for a family of three), the family was financially eligible for ADC benefits. (Other non-financial eligibility requirements were and still are imposed, such as deprivation of parental support, children living with a close relative, registration with the state employment service for most parents without children under age six.)

The standard of need regulation was instituted in Monroe County effective January 1, 1982. At that time 292 families lost their ADC grants. Additional families have been terminated since and some who have applied for ADC have been denied based on this regulation; however, the numbers and identities of these additional families are unknown. These 292 families represented approximately three percent of the ADC caseload at that time.

B. Report Overview

This paper presents the results of a survey of ADC recipients terminated because of the new federal income limitations (150 percent rule). It highlights the impacts of termination on those recipients and the methods they have used to cope with their reduced incomes. This particular group was chosen for study because it was the largest single group terminated at one point in time with the loss of supplementary income assistance and, often, related services. It was also for this group that the Department of Social Services had maintained a list of terminated families, thus permitting later follow-up on what happened to them.

This report details who was terminated from assistance in terms of the number of families, the number of children in those families, and the types and amounts of assistance received at the time of termination. In addition, it includes information on those families who have had further contact with the welfare system: for example, how many families came back onto assistance, when they came back on, and the factors associated with return to welfare.

This report places significant emphasis on the issues of how these families were affected by termination and what coping mechanisms they employed in dealing with the loss of benefits. The report deals with the potential problem areas of food, clothing, housing, utilities, medical care, and debt and explores whether the family has had problems since termination and whether these problems are greater than they were when the family was on welfare. The existence of coping mechanisms such as increased employment or other income, alternative methods of obtaining food, moving, obtaining a United Way subsidy for child care, and approaching other organizations for help was determined.

All report information, other than return to welfare (which was determined from DSS files), is drawn from personal responses to the structured survey questionnaire. However, perceptions of the impact of the cuts were the prime focus of the personal survey and are seen as being as valid as the more objective pieces of data.

It is difficult to disentangle the plight of the poor in general, particularly during periods of unemployment and inflation from the effects of losing ADC benefits. However, in an effort to maximize this differentiation, the survey procedures encouraged an individual to focus on a potential problem area (e.g., food), identify whether the family had a problem, and, if so, whether the problem were more or less severe or of the same severity as when the family was on welfare.

II. FINDINGS

A. Characteristics

On December 31, 1981, 292 families--comprised of 592 children and 297 adults--were terminated from ADC because of the 150 percent rule. The following sections will describe these families and compare their characteristics to the 1979 New York State ADC[1] population (excluding New York City) and/or the Monroe County ADC population in 1980,[2] highlighting any pertinent differences.

Family Size[3]

The great majority of families were single-parent families (97 percent). Because of the fact that termination was tied to income and because income is typically generated by adults, few families without adults are found in the terminated population.

NUMBER OF ADULTS PER FAMILY
AT TIME OF TERMINATION (12-31-81)

# Adults	Terminated Families #	Terminated Families %	Non-NYC ADC Pop. %	Monroe Co. Total ADC Pop. %
0*	2	0.7	12.6	16.0
1	283	96.9	78.1	84.0
2	7	2.4	9.3	
Total	292	100.0	100.0	100.0

*Child is in the care of an adult who is not in receipt of ADC.

Most families had one or two children, with the average number of children being two.

NUMBER OF CHILDREN PER FAMILY
AT TIME OF TERMINATION (12-31-81)

# Children	Terminated Families #	Terminated Families %	Non-NYC ADC Pop. %	Monroe Co. Total ADC Pop. %
0	-	0.0	1.0	
1	114	39.0	39.9	
2	93	31.9	26.4	
3	61	20.9	15.8	
4	13	4.5	8.7	
5	8	2.7	4.1	
6	3	1.0	2.6	
7 or more	-	0.0	1.4	
Total	292	100.0	100.0	
Mean	2.0		2.2	2.1

Age of Family Members[4]

The average age of the children at the time of termination was 8.9 years. Overall, the children were older than is typical for ADC children. This finding is consistent with the fact that termination was related to income and that mothers of older children would typically be more likely to work to be able to work longer hours and to have worked consistently enough to have advanced in their jobs. However, it should be noted that 69 children (12 percent) were less than three; 173 (29 percent) were less than six.

AGE OF CHILDREN
AT TIME OF TERMINATION (12-31-81)

Age	Terminated Children #	Terminated Children %	Non-NYC ADC Pop. %
Unborn	-	0.0	2.5
Under 3	69	11.6	18.4
3-5	104	17.6	17.4
6-8	110	18.6	16.3
9-11	107	18.1	18.7
12-13	78	13.2	9.7
14-16	87	14.7	11.7
17 and older	37	6.2	5.3
Total	592	100.0	100.0
Mean	8.9		7.8

By the time of the survey (March 15, 1983) the average age of the children terminated was 10.1 years. The average age of the youngest child in the family was 7.4 years.

FAMILIES BY AGE OF YOUNGEST CHILD ON 3-15-83

	Terminated Families	
	#	%
Under 3	42	14.4
3-5	69	23.6
6-8	76	26.0
9-11	46	15.8
12-13	27	9.2
14-16	22	7.6
17 and older	10	3.4
Total	292	100.0
Mean Age	7.4	

Fourteen percent of the families had children less than three; 38 percent had children less than six.

FAMILIES BY NUMBER OF CHILDREN LESS THAN THREE AND LESS THAN SIX ON 3-15-83

# Children/ Family	Children Less Than Three		Children Less than Six	
	# Families	% Families	# Families	% Families
0	250	85.6	181	62.0
1	41	14.0	96	32.9
2	1	0.4	13	4.4
3	0	-	2	0.7
Total	292	100.0	292	100.0

The average age of the household heads at the time of termination was 32.0 years. As with the terminated children, the terminated household head was older than the typical ADC household head, reflecting the greater labor force attachment of the terminated household heads.

AGE OF HOUSEHOLD HEAD
AT TIME OF TERMINATION (12-31-81)

	Terminated Household Heads		Non-NYC ADC Pop.
	#	%	%
Under 20	2	0.7	8.3
20-24	33	11.4	27.5
25-29	83	28.6	18.9
30-34	84	29.0	21.3
35-39	42	14.5	11.2
40-44	22	7.6	6.7
45-49	17	5.8	3.2
50 or older	7	2.4	2.9
Total	290	100.0	100.0
Mean	32.0		29.45

Ethnicity

One-half of the terminated families were black, 41 percent were white, 6.5 percent were Puerto Rican, and the remaining few were American Indian, Asian, and of unknown ethnicity. This ethnic distribution is very similar to that in the Monroe County ADC population as a whole. (The non-NYC ADC population, being heavily weighted by rural counties, does not contain as large a minority population.)

FAMILIES BY ETHNICITY

	Terminated Families		Non-NYC ADC Pop.	Monroe Co. Total ADC Pop.
	#	%	%	%
Black	146	50.0	35.5	
American Indian	1	0.4	1.0	51.0
Asian	3	1.0	0.2	
Hispanic	19	6.5	4.2	10.4
White	120	41.1	59.1	38.6
Unknown	3	1.0	-	
Total	292	100.0	100.0	100.0

Geographic Location[5]

The vast majority of terminated recipients live in the city of Rochester, as is true of the ADC population as a whole. Over half the population (52 percent) lives in five zip codes in the central and northeastern parts of the city. A small percent (8.5) live in the suburban areas of the county (other than Greece, Irondequoit, and Brighton).

FAMILIES BY LAST KNOWN GEOGRAPHIC LOCATION

	# Families	% Families
Marketview Heights (14621)	44	15.1
Joseph Ave. (14604, 05)	36	12.3
Beechwood (14609)	43	14.7
Federal Station (14608)	28	9.6
Bulls Head/Thurston (14611, 19)	41	14.0
Highland (14620)	18	6.2
West Ridge/Lyell (14606, 13, 15, 26)	26	8.9
Greece/Irondequoit (14612, 16, 17, 22)	13	4.5
Southeast City/Brighton (14607, 10, 18, 23, 25, 27)	13	4 5
Suburbs (144-, 145-)	25	8.5
Out of area	5	1.7
TOTAL	292	100.0

Income

The families under study were terminated because their gross incomes were greater than 150 percent of the state standard of need. At the time of termination their average gross money income from all sources is estimated at $698.90 monthly ($8,386.80 annually).[6] This income amount was 108 percent of the 1982 poverty level (for a non-farm three-person family, Federal Register, Vol. 47, No. 69, April 9, 1982).

Most of the families (93 percent) had earned income at the time of termination. This factor makes the terminated population quite different from the typical non-New York City ADC population, only 15 percent of whom had

earned income in 1979. The other income source available for a substantial portion of the terminated population was child support; 14 percent were recipients of child support.

For 229 families, earned income was the only source of support; two families received only child support. One family received child support and Social Security Disability. For 16 families, source of income was unable to be determined. The remaining 44 families combined earned income with various other income sources.

INCOME SOURCES* OF TERMINATED FAMILIES ON 12-31-81

	# Families	% Families
Earned Income	273	93.5
Child Support	42	14.4
Rental Income	2	0.7
Alimony	1	0.3
Unemployment (UIB)	1	0.3
VA Pension	1	0.3
Social Security	1	0.3
Social Security Disability	1	0.3
Unknown	16	5.5

Welfare Support

The welfare (ADC and Food Stamp) support received by the families at the time of termination ranged from $0.00[7] to $683.02 per month, averaging $155.80 ($1,869.60 annually). The ADC part (excluding any day care and fuel costs paid directly by DSS) of this support ranged from $0.00 to $511.02 per month, averaging $128.00 ($1,536 annually). This average payment was substantially less than the average amount received in non-NYC counties in 1979--$327.04 ($3,924.48 annually). This differential reflects the fact that

*Families could and did have more than one income source. Therefore, totalling the column "# Families" will yield a number greater than the 292 terminated families.

the terminated population had outside sources of income reducing their need for welfare.

AMOUNT OF MONTHLY SUPPORT

RECEIVED AT TIME OF TERMINATION (12-31-81)

	Total Support (ADC + FS)		ADC Support	
	# Families	% Families	# Families	% Families
Less than $50	44	15.1	63	21.6
$50 - $99.99	48	16.4	71	24.3
$100 - $149.99	66	22.6	52	17.8
$150 - $199.99	55	18.8	49	16.8
$200 - $249.99	28	9.6	23	7.9
$250 - $299.99	24	8.3	17	5.8
$300 or more	27	9.2	17	5.8
Total	292	100.0	292	100.0
Mean	$155.30		$128.00	

The terminated population was significantly less likely than the ADC population as a whole to participate in the Food Stamp program. Generally an ADC family is also financially eligible for Food Stamps. However, the ADC program permitted the deduction of a work incentive allowance for employed individuals not provided for in the Food Stamp program. Thus nearly one-half of the employed families would have been financially eligible for ADC but not for Food Stamps.

FOOD STAMP PARTICIPATION
AT TIME OF TERMINATION (12-31-81)

	Terminated Families		Non-NYC ADC Pop.
	#	%	%
Participated through ADC case	149	51.0	80.8
Participated through separate FS case	11	3.8	
Did not participate	132	45.2	19.2
Total	292	100.0	100.0

All families receiving ADC also receive Medicaid coverage. In addition to ADC, Medicaid, and possibly Food Stamps, a minimum of 38 families (13 percent) had day care costs paid directly by the Department of Social Services,[8] and 82 families (28 percent) had their fuel costs paid directly. These payments were made in addition to the average $128 ADC grant.

Lost Benefits

On December 31, 1981, all ADC payments and direct day care and fuel payments through ADC cases ended. The average family lost $128.00 monthly ($1,536.00 annually) in ADC benefits and was left with $623.90 monthly ($7,486.80 annually)[9] take-home pay after deducting work-related expenses. Thus, with the loss of ADC benefits, the ADC family lost 17 percent of its $751.90 disposable income.

It was anticipated that increased Food Stamp benefits (resulting from the decreased income associated with the loss of ADC) would cushion the loss of ADC benefits. However, as mentioned above, a substantial portion of the terminated recipients had not been receiving Food Stamps. In addition, Food Stamp eligibility regulations were also changed effective January 1, 1982, thus depriving additional families of this cushion.

FOOD STAMP PARTICIPATION ONE MONTH
FOLLOWING TERMINATION (2-1-82) BY
PARTICIPATION STATUS AT TIME OF TERMINATION

Participation Status (12-31-81)	Total		Participation Status (2-1-82) Through ADC Case		Through Separate FS Case		Not Participating	
	#	%	#	%	#	%	#	%
Through ADC case	149	100.0	2	1.4	81	54.4	66	44.2
Through separate FS case	11	100.0	-	-	5	45.5	6	54.5
Total participating	160	100.0	2	1.2	86	53.8	72	45.0
Not participating	132	100.0	-	-	19	14.4	113	85.6
Grand Total	292	100.0	2	0.7	105	36.0	185	63.3

The 11 families who had been receiving Food Stamps in separate cases were reviewed prior to January 1; six (55 percent) were also terminated from Food Stamps. The 149 families who had been receiving Food Stamps through their ADC cases were continued on Food Stamps for one month (until 1-31-82) so that their eligibility for separate Food Stamp cases could be determined. Of these families, 66 (44 percent) were also terminated from Food Stamps. Two families were back on ADC and receiving Food Stamps by January 31. Of the 160 families who had been receiving Food Stamps at the time of ADC termination, 88 families (55 percent) continued receiving Food Stamps; because their incomes were lower after termination as a result of losing ADC benefits, their Food Stamp benefits (being based on need as defined by income) were in most cases higher than when they were in receipt of ADC. By February 1, 1982, 19 of the 132 families who had not previously been receiving Food Stamps had applied for and begun receiving Food Stamps. Thus, by February 1, 36 percent of the terminated families were receiving Food Stamps as compared with 55 percent at the time of termination.

The average value of the lost Food Stamps was $55.13 monthly.

All families receiving ADC also receive Medicaid coverage. Medicaid coverage for the terminated families was continued for four months (under a regulation that Medicaid benefits be continued for four months when ADC benefits are terminated because of increased earnings). During the four months, a determination of separate Medicaid eligibility was made. At the end of the four-month grace period 27 families were back on ADC and thus under Medicaid coverage. Of the remaining 265 families, 169 (64 percent) had lost Medicaid coverage, while 96 (36 percent) had retained it.

The total picture of lost welfare benefits for the 292 families terminated from ADC on December 31, 1981 is as follows:

FAMILIES BY BENEFITS LOST AS OF MAY 1, 1982

	Terminated Families	
	#	%
Lost ADC only, had not received Food Stamps previously or did not lose them, retained Medicaid coverage	74	25.3
Lost ADC and Food Stamps, retained Medicaid coverage	22	7.5
Lost ADC and Medicaid, had not received Food Stamps previously or did not lose them	124	42.5
Lost ADC, Medicaid and Food Stamps	45	15.4
Back on ADC before loss of Medicaid could be determined	27	9.3
	292	100.0

It is clear that in almost two-thirds (65 percent) of the cases the losses to the terminated families went beyond the simple loss of an ADC check.

B. Redependency

Of prime interest to many individuals is how many of the terminated families returned to the welfare rolls. This factor is seen by some as proving or disproving the fairness and equitableness of the welfare changes. A recent federally-supported study[1] of caseloads in 27 states indicated that 15 percent of those whose benefits stopped in October, 1981 were back on the welfare rolls a year later. The findings of this study are very similar.

Current Welfare Status[2]

Of the 292 terminated families, 45 (15.4 percent) were active on ADC or Home Relief (a New York State income-support program) on March 15, 1983, over 14 months after termination. An additional 24 families (8.2 percent) were receiving only Medicaid and Food Stamps.

The average amount currently received by those formerly terminated families is substantially higher than the average $155.80 total welfare (ADC and Food Stamp) benefits and average $128.00 ADC benefits received at the time of termination. It is apparent that welfare is no longer supplementing other income for many of these families but rather is providing total support.

AMOUNT OF MONTHLY SUPPORT CURRENTLY RECEIVED
BY THOSE FAMILIES CURRENTLY ACTIVE (3-15-83)

	Total Support (ADC + FS)		ADC Support	
	# Families	% Families	# Families	% Families
Less than $100	5	11.1	9	20.0
$100 - $199.99	4	8.9	3	6.6
$200 - $299.99	5	11.1	13	28.9
$300 - $399.99	9	20.0	11	24.5
$400 - $499.99	11	24.5	8	17.8
$500 - $599.99	6	13.3	1	2.2
$600 or more	5	11.1	-	-
Total	45	100.0	45	100.0
Mean	$383.85		$257.98	

Welfare Redependency from Termination to Present[3]

A total of 130 families (44.5 percent) had contact with the ADC system following termination. Seventy-three families (25 percent) were reopened on welfare--the 45 (15 percent) that are currently receiving assistance and 28 additional families (ten percent) who are not currently active. Between termination and reopening or between termination and the present if a family has not been reopened, 64 families (21.9 percent) received Emergency Assistance to Families,[4] and 26 families (8.9 percent) applied for welfare and were denied benefits.

TERMINATED FAMILIES BY REDEPENDENCY ACTIVITY
THROUGH REOPENING OR PRESENT

	# Families	% Families
EAF only	41	14.0
Denied only	8	2.7
Reopened only	49	16.8
EAF + Denied	8	2.7
EAF + Reopened	14	4.8
Denied + Reopened	9	3.1
EAF + Denied + Reopened	1	0.4
No further contact with ADC	162	55.5
Total	292	100.0

The average family which recontacted the ADC system first did so on May 10, 1982, four months after termination. Receipt of EAF took place, on average, on May 29, 1982; denial of an ADC application on June 17, 1982; and reopening on July 4, 1982.

ELAPSED TIME FROM TERMINATION TO CONTACT WITH
THE ADC SYSTEM FOR FAMILIES WHICH RECONTACTED THE SYSTEM

	First Contact		EAF Receipt		Denial		Reopening	
	# Fam	%	# Fam	%	# Fam	%	# Fam	%
Less than 3 mos.	43	33.1	20	31.3	5	19.2	19	26.0
3 to less than 6 mos.	48	36.9	29	45.3	12	46.2	17	23.3
6 to less than 9 mos.	20	15.4	5	7.8	4	15.4	21	28.8
9 to less than 12 mos.	11	8.4	4	6.2	4	15.4	11	15.1
12 mos. or more	8	6.2	6	9.4	1	3.8	5	6.9
TOTAL	130	100.0	64	100.0	26	100.0	73	100.0
Mean (months)	4.3		4.9		5.5		6.1	

The amount of support received at the time of reopening is similar to the amount currently being received by currently active terminated recipients.

AMOUNT OF MONTHLY SUPPORT RECEIVED AT THE TIME OF REOPENING
BY REOPENED FAMILIES

	Total Support (ADC + FS)		ADC Support	
	# Families	% Families	# Families	% Families
Less than $100	3	4.1	10	13.7
$100 - $199.99	8	11.0	12	16.4
$200 - $299.99	18	24.7	16	22.0
$300 - $399.99	18	24.7	27	36.9
$400 - $499.99	16	21.9	8	11.0
$500 - $599.99	6	8.2	-	-
$600 or more	4	5.4	-	-
Total	73	100.0	73	100.0
Mean	$348.00		$260.01	

Factors Associated with Redependency

Other studies[5] have shown a variety of factors significantly correlated with redependency--e.g., age of the youngest child, number of young children, age of the household head. These and other factors were tested with regard to the Monroe County population.

Factors found to be significantly associated with reopening were:

- household head less than 25 years old ($p < .01$)
- presence of child(ren) less than three years old ($p < .01$)
- presence of two or more children less than six ($p < .005$)
- unemployment of household head (survey results) (($p = .0001$)
- length of current (or last if not currently employed) job one year or less (survey results) ($p < .001$)
- retention of Medicaid coverage after termination ($p = .0001$)

Factors such as problems in specific areas, total number of problems, and impressions of life in general (see "Other Effects") were not found to be significantly associated with redependency nor were the number of children in the household or the amount of welfare (ADC and Food Stamps) received prior to termination.

In general redependency appears to be related to work force attachment and problems in establishing and maintaining that attachment.

Household heads less than 25 years old were more than twice as likely to be reopened as household heads 25 and over. The younger household head has had less time to establish an attachment to the work force in terms of job seniority, job advancement, salary increases, and job satisfaction. Additionally she is coping with the demands of younger children--the needs for child care, the costs of child care, and the questions of whether she should be working or instead caring for her preschool children. Families with children less than three were almost twice as likely to be reopened as families without. Families with two or more preschoolers (i.e., children less than six) were over two and a half times as likely to be reopened as families with no preschoolers or only one preschooler.

Those who became unemployed were over four times as likely to be reopened as those who remained employed. Those who became unemployed had an average job tenure (last job) of one and a half years compared with an average job tenure (current job) of over three years for those who remained employed. Those who became unemployed may have been the first to be laid off (as reported by survey respondents) or those with less work force attachment may have been more likely to quit work to return to welfare when problems--personal, financial, employment, child care--arose. Those with current (or last) job length of one year or less were more than three times as likely to be reopened as those who had been working more than one year. Not all who were reopened were unemployed, however. Half of those who were reopened were still working, though changed situations (e.g., reduced income, additional family members) again rendered them eligible for welfare.

Those families who retained Medicaid coverage after termination were almost three times as likely as those who did not to return to welfare.

Families who are eligible for Medicaid have lower incomes for their family size and lesser assets than those who are not eligible. Thus, they may have been more likely to quit a job to return to ADC. Alternatively, their lower incomes may have represented more tenuous job status in terms of job seniority or job stability and thereby a greater likelihood of layoff.

C. Other Effects (Survey Results - 138 Respondents)

It is difficult to disentangle the plight of the poor in general from the effects of the loss of ADC benefits and impossible to discriminate between the effects of losing ADC and the effects of losing Medicaid and Food Stamps. The survey procedures encouraged an individual to focus on a potential problem area (e.g., food), identify whether the family had a problem, and, if so, whether the problem were more or less severe or of the same severity as when the family was on welfare. Following is summary of the potential problem areas covered in the survey.

Food and Clothing. Over half (59 percent) of the respondents indicated that since going off welfare there had been times when their families didn't have enough to eat. Of these 81 families, 65 percent reported having had more of a problem since going off welfare, 12 percent less of a problem, and 23 percent about the same problem. (One percent didn't know.) Regardless of the problem's increase or decrease, it is important to note that obtaining food is a substantial problem for the area's poor and near-poor population.

Thirty-nine percent indicated that their children had not had appropriate clothes for school or for winter weather. Of these 54 families,

59 percent stated that they have had more of a problem since going off welfare, 15 percent less of a problem, and 24 percent about the same problem. (Two percent didn't know.)

EXTENT OF FOOD OR CLOTHING PROBLEMS SINCE TERMINATION BY TOTAL RESPONDENTS AND BY RESPONDENTS IDENTIFYING FOOD OR CLOTHING PROBLEMS

Extent of Problem As Compared to When on Welfare	Have Had Times Without Enough to Eat		Children Have Not Had Appropriate Clothes	
	% Total Respondents	% Respondents Identifying Problem	% Total Respondents	% Respondents Identifying Problem
Less often now	7.2	12.3	5.8	14.8
More often now	37.0	63.0	23.2	59.3
About as often	13.8	23.5	9.4	24.1
Don't know	0.7	1.2	0.7	1.8
TOTAL	58.7	100.0	39.1	100.0
Not a problem	41.3		61.9	

Medical Care. Most respondents (79 percent) have some sort of medical insurance--14 percent have Medicaid only, nine percent have Medicaid plus private insurance, and 56 percent have private insurance only.

As might be expected from the facts that 21 percent of the sample had no medical insurance and 56 percent had only private insurance which is in most cases not as extensive as Medicaid, a substantial proportion (42 percent) said they have had family medical problem(s) for which care was not received. The most common unattended problems concerned teeth and gums; of the 60 families reporting unattended problems, 82 percent reported teeth and gum problems. Three-quarters of the families had been receiving treatment for the subsequently untreated problems while they were on Medicaid. In all, 87 untreated medical problems were identified:

MEDICAL PROBLEMS FOR WHICH CARE WAS NOT RECEIVED SINCE TERMINATION*

Medical Problem	% of Total Problems
Teeth or gum problems	56.3
Stomach problems	8.0
Vision problems	5.8
Nervous condition	4.6
Respiratory problem	4.6
Headaches	2.3
Other**	18.4
	100.0

*Based on 87 problems reported by 60 families.
**Includes primarily gynecological problems.

In the vast majority of cases (95 percent) families indicated that treatment was not sought out because the family could not afford it. Some of the respondents not identifying untreated problems indicated that though they had received care for their medical problems they could not now afford to pay their bills.

Families who had not been reopened on welfare were significantly more likely to experience untreated medical problems than those who were reopened. This phenomenon is likely related to the fact that those families who were reopened on welfare again had access to Medicaid payment for medical services and thus were able to seek out medical care based on need--without considering whether they personally could afford it.

Housing. Twenty-eight percent of the respondents have moved since losing welfare. Of these 38 families, 61 percent said they moved for monetary reasons. However, three-quarters of those who moved said their new place was better or about the same as their former residence.

One woman whose new place was worse told a story of having been caught in a tangle of Department of Housing and Urban Development (HUD) regulations. She and her two sons were living in a subsidized two-bedroom apartment. When her daughter was born, she was told that she could not have children of the opposite sex sleeping in the same room and that she could not have her sons and daughter sleeping in the bedrooms while she slept in the living room because those arrangements were evidence of substandard housing. She instead moved into a substantially more expensive place that she described as being "worse" than her previous apartment.

Fifty-four percent of the respondents who pay for housing indicated they have been late with the rent or mortgage payment since going off welfare. Of these 74 families, 80 percent said they are late more often; three percent, less often; and 15 percent, about as often. (Three percent indicated that they didn't know.) Sixteen families reported having been threatened with eviction; and two actually evicted. (Two of these 18 families indicated that they had also been evicted while on welfare.)

EXTENT OF PROBLEMS WITH PAYING RENT OR MORTGAGE SINCE TERMINATION BY TOTAL RESPONDENTS AND BY RESPONDENTS IDENTIFYING PROBLEMS

Extent of Problem as Compared to When on Welfare	Have Been Late with Rent or Mortgage	
	% Total Respondents	% Respondents Identifying Problem
Less often now	1.5	2.7
More often now	42.8	79.7
About as often	7.8	14.6
Don't know	1.5	2.7
Total	53.6	100.0
Not a problem	46.4	

Utilities. Because the Department of Social Services will pay utility bills directly (82 families in the total terminated population had their bills so paid), payment of utility bills may be especially difficult for the terminated families. Seventy-two percent of the respondents indicated that they had been late paying utility bills since going off welfare; 15 percent said they have had their utilities cut off. This 15 percent figure may be misleadingly low because most of the interviews were performed prior to Rochester Gas and Electric company's 1983 shut-off season; all of the people who reported shut-offs were interviewed in the later stages of the project.

Debt. Fifty-seven percent of the respondents indicated that they owed money other than for a mortgage. Of these 79 families, 76 percent said they owe more money than when they were on welfare, six percent owe less, and 18 percent about the same amount.

Number of Problem Areas. Most respondents identified one to three areas of the six covered above (food, clothing, medical care, housing, utilities, and debt) where they were having more problems than when they were on welfare. A small proportion (13 percent) did not identify any of these areas as more problematic.

NUMBER OF POTENTIAL PROBLEM AREAS IN WHICH RESPONDENTS ARE EXPERIENCING MORE PROBLEMS THAN WHEN ON WELFARE

Number of Problem Areas	% Respondents
None	13.0
1	23.2
2	15.9
3	23.9
4	12.3
5	10.2
All 6	1.5
	100.0

Children. A number of questions were asked relating to the children's behavior and interaction within the family since termination from welfare. With regard to difficulties in handling their children, two-thirds of the respondents (67 percent) said they were no different, one-quarter (24 percent) said they were harder to handle, and six percent said they were easier to handle. (Four percent had no answer.)

Three-quarters of the respondents with children in school said the children got along in school about the same, 12 percent said they got along worse, and seven percent that they got along better. (Six percent had no answer.)

Forty-seven percent of the respondents indicated they had less time for their children since going off welfare, 44 percent said the same amount of time, and seven percent said more time. (Two percent had no answer.) This lesser time availability can be related to the fact that 22 percent of the respondents are working more hours than when they were on welfare, and nine percent have taken on extra jobs.

Loss of Other Benefits. Sixty-four percent of those interviewed indicated that they had been significantly affected by the loss of other benefits since the loss of ADC. (These losses were not necessarily related to the loss of ADC.) The loss of Food Stamps and Medicaid were most often mentioned (by 41 percent and 54 percent of the respondents, respectively). Many families, in fact, indicated that the loss of Medicaid and Food Stamps affected them more than the loss of ADC.

LOST BENEFITS* SIGNIFICANTLY AFFECTING SURVEYED FAMILIES

Lost Benefit	% Surveyed Families Affected
Food Stamps	41.3
Medicaid	54.3
Supplemental Food Program for Women, Infants and Children	2.2
School Lunch subsidy	7.2
Housing subsidy	9.4
Child care subsidy	15.9
CETA job/training	2.2
None	36.2

*Many families were affected by the loss of more than one benefit. Therefore, totalling the "%" column will yield a number greater than 100.0%.

Many families also indicated that they were affected by the loss of more than one benefit, further compounding their problems.

NUMBER OF LOST BENEFITS OTHER THAN ADC

Number	% Surveyed Families
1	19.6
2	26.1
3	10.1
4	4.4
5+	3.6
None	31.1
Don't know	5.1
	100.0

Life in General. Forty-one percent of the respondents said that taking everything into consideration they were worse off since going off welfare, 34 percent said they were better off, and 21 percent said they were no different. (Four percent had no answer.) Those who felt they were worse off most often commented on their financial difficulties; those who felt they were better off generally focused on their feelings of independence from "the system."

In general, the future appeared brighter. Forty-eight percent of the respondents felt that a year from now things would be better for them. A good number of respondents, however, laughed skeptically when asked this question and replied that things could not get worse.

RESPONDENTS' PERCEPTIONS OF LIFE NOW AS COMPARED TO WHEN ON WELFARE AND ANTICIPATION OF LIFE NEXT YEAR

Perception/Anticipation	% Respondents	
	Life Now	Life Next Year
Better	33.6	48.2
Worse	40.9	17.5
The same	21.9	18.2
Don't know	3.6	16.1
TOTAL	100.0	100.0

D. Methods of Coping (Survey Results)

Employment. Eighty-two percent of those surveyed indicated that they are employed; of these 113 individuals, 89 percent are employed full-time (35 or more hours per week). It appears, therefore, that families are on welfare out of necessity, not preference. Large numbers of terminated recipients did not quit their jobs or lose them for the purpose of returning to welfare. The 82 percent who remained employed did so despite the fact that the Monroe County unemployment rate was 6.2 percent at the time of termination in January 1982 and 8.0 percent at the beginning of the survey process in March 1983. Nine percent have taken on another (second) job. An additional 22 percent are working more hours. The reason most gave for working more hours was that they needed more money.

REASONS* FOR WORKING MORE HOURS SINCE TERMINATION

Reasons	% Respondents Working More Hours**
Employer request	30.0
Needed more money	66.7
Needed full-time benefits	20.0
Children older	10.0
Wanted to advance in job	6.7
Other	6.7

*Totalling the "%" Column will yield a number greater than 100.0% because individuals could and did give more than one reason.
**Thirty respondents were working more hours.

Current take-home pay for the former recipient ranged from $65 to $1,213 per month, averaging $657.17 ($7,886.04 annually). The length of time the individual had held the current primary job ranged from less than one week to 13 years, averaging a little over three years or since early 1980.

The remaining 18 percent of the respondents were unemployed at the time of the survey. Length of unemployment for these 25 respondents ranged from less than one week to 15 months (or about the time of the ADC termination) and averaged six months. The last job held by the unemployed individuals had lasted between one month and ten years, averaging one and a half years.

Most of those who are unemployed stated they were laid off, though some left their jobs because of health.

REASONS FOR LEAVING LAST JOB

Reasons	% Unemployed Respondents*
Laid off	58.3
Fired	8.3
Health	12.5
Other**	20.9
TOTAL	100.0

*Twenty-five respondents (18 percent of total respondents) were unemployed.
**Includes child care problems, pregnancy, moving.

Of those who are unemployed, 64 percent are actively looking for another job and employing a variety of job hunting methods. The 16 job seekers reported 45 job search methods or 2.8 methods per person.

JOB SEARCH METHODS* EMPLOYED BY JOB SEEKERS**

Method	% Job Seekers
Answering ad	68.8
Talking with friends	56.3
Talking with local employers	37.5
Registering with State Employment service	43.8
Going to private employment agency	31.3
Completing application for specific job	25.0
Other***	18.8

*Totalling the "%" column will yield a number greater than 100.0% because individuals could and did mention more than one method.
**Sixteen respondents were actively looking for jobs.
***Includes putting up notice and sending out resumes.

The primary problem mentioned by job seekers is that no jobs are available. Lack of specific skills and transportation were also identified.

PROBLEMS* FINDING A JOB IDENTIFIED BY JOB SEEKERS**

Problem	% Job Seekers
No jobs available	87.5
Lack specific skills	37.5
Lack experience	12.5
Transportation problems	31.3
Other***	18.8

*Totalling the "%" column will yield a number greater than 100.0% because the respondents could and did identify more than one problem.
**Sixteen respondents were actively looking for jobs.
***Includes available jobs that are unacceptable, poor health, inadequate child care.

Other Income Sources. A few families (13 percent of the respondents) have other working adults (in addition to the former recipient--15 families--

or instead of the former recipient--two families). Most of these other working adults (61 percent) have begun working or have joined the family since ADC termination and thus represent a new income source.

Seventeen percent of the families currently receive child support. Of these 24 families, only 21 percent had child support listed as an income source by DSS at the time of termination. However, because in many cases, child support benefits go directly to DSS rather than to the individual, it is impossible to determine whether the other 79 percent of the families newly acquired child support after termination or whether it simply began going to them directly.

Food. Because 45 percent of the families who had been receiving Food Stamps in addition to ADC lost Food Stamps benefits also, the survey explored the various ways in which families obtain food. Fifty-four percent of all surveyed families reported using methods of obtaining food other than simply purchasing it with their own money. Of these 74 families, 48 percent indicated that they had begun using these other methods since termination, and on average each family reported 1.5 other methods.

ALTERNATIVE METHODS* OF OBTAINING FOOD

Method	% of Respondents Utilizing Method
Supplemental Food Program for Women, Infants and Children	9.4
Garden	14.5
Food shelf/cupboard	10.9
Trading other items for food	3.6
Soup kitchen	8.0
Other	34.8
None	46.4

*Respondents could and did mention more than one method.

Other methods of obtaining food included borrowing money from family or friends, receiving food from friends, going to friends' or family members' homes for meals, using coupons, hunting, fishing, and going to local agencies (police department, Red Cross, Salvation Army, surplus cheese, FISH). One woman joined a church that served lunch on Sunday. Another fishes every weekend and eats primarily fish as a source of protein.

Housing. As indicated above, 17 percent of the respondent families moved for monetary reasons.

Debt. Also as indicated above, 43 percent of the respondents owe more money now than they did while they were on welfare. These families reported a number of ways that they are using to try to cope with that situation.

METHODS* OF COPING WITH OWING MORE MONEY

Methods	% Respondents Owing More Money**
Spending less on other things	38.3
Borrowing from friends and family	23.3
Working extra hours	20.0
Working an extra job	8.3
Other	23.3
Doing nothing	18.3
Don't know	3.3

*Totalling the "%" column will yield a number greater than 100.0% because respondents could and did mention more than one method of coping.
**Fifty-nine families reported owing more money.

While 18 percent of the respondents said they were "doing nothing," the other 82 percent appeared to be trying in various ways to cope with their

situations. Among the "other" responses were a number of people who were trying to pay a little at a time, looking for a job, looking for a better job, or getting job training.

Child Care. All but one working parent have children in the home. Of the working parents with children, 47 percent pay for child care. Of the 53 families who pay for care, 32 percent are currently receiving a United Way subsidy. Of the 36 families paying for care and not currently receiving a United Way subsidy, only six percent have applied for a subsidy. On the other hand, of the 20 families with children in day care centers, only three are not receiving subsidies. The children in the remaining 33 families who pay for care and do not receive subsidies are generally cared for by relatives (41 percent) or private babysitters (41 percent).

DETAIL OF CHILD CARE ARRANGEMENTS
OF WORKING FAMILIES

	# Families	% Families
All working families	113	100.0
Without children	1	0.9
With children	112	99.1
Working families with children	112	100.0
Do not pay for child care	59	52.7
Pay for child care	53	47.3
Families paying for child care	53	100.0
With United Way subsidy (in day care center)	17	32.1
Without United Way subsidy	36	67.9
Families without United Way subsidy	36	100.0
Applied for subsidy	2	5.6
Did not apply for subsidy	34	94.4
Child care arrangements of families without United Way subsidy	36	100.0
Relatives	15	41.7
Private sitter	15	41.7
Day care center	3	8.3
Friends/other	3	8.3

The survey did include a question on child care arrangements while on welfare. However, the responses did not uniformly reflect the arrangements at the time of termination; in many instances, the respondent referred to much earlier arrangements. Therefore, no conclusions can be drawn about changes in child care associated with ADC termination. In addition, because the Data Sharing Project was also sponsoring a survey of families who lost day care subsidies, the ADC survey did not focus on questions regarding day care. Thus, it is unknown whether respondents preferred their unstructured and unsubsidized arrangements or whether they would have preferred a subsidized day care center but did not make application.

Help from Organizations. Twenty-five percent of the respondents stated that they have gone to organizations other than the Department of Social Services for help since ADC termination. The proportion of those actually seeking out help is probably higher because, for example, some respondents who mentioned under the food-related questions that they had gone to the Salvation Army or FISH for help did not mention those contacts later when asked about generalized receipt of help. Of those 34 respondents requesting help, 85 percent received help. The Home Energy Assistance Program (HEAP) at Action for a Better Community was the most sought out program and the one rendering the most help.

ORGANIZATIONS* WHERE RESPONDENTS SOUGHT AND RECEIVED HELP

Organization	% Respondents Seeking Help** Sought Help	Received Help
HEAP-ABC	44.1	38.2
Salvation Army	26.5	17.6
Church	14.7	14.7
Other***	29.4	20.6

*Totalling the "%" column may yield a number greater than 100.0% because respondents could and did mention more than one organization.
**Thirty-four respondents sought help.
***Includes Lend-A-Hand, FISH, Charles Settlement House, Lewis Street Center, Red Cross, United Way, RG&E.

Reapplication for Welfare. Twenty-one percent of the respondents indicated that they had reapplied for welfare since termination, and half of these 28 families were accepted for welfare benefits. (All of those who were denied said that they were told their income was too high for them to qualify.) The families indicated a number of reasons why they decided to reapply for welfare, in the main because their income had been reduced or because they simply needed more money.

REASONS* GIVEN FOR REAPPLYING FOR WELFARE

Reason	% Respondents Who Reapplied**
Lost job	21.4
Wages reduced	7.1
Lost other income source	7.1
Pregnancy/health	14.3
No specific change--needed more money	21.4
Other***	21.4
Unknown	14.3

*Totalling the "%" column will yield a number greater than 100.0% because respondents could and did give more than one reason.
**Twenty-eight families reapplied.
***Includes primarily a desire for other welfare-related benefits--help with obtaining child support, day care, Medicaid.

A number of respondents indicated that under no circumstances would they reapply for welfare. They considered the welfare system a "hassle" and were glad to be free of having to take time from their jobs to keep appointments at DSS. This attitude is similar to that expressed in response to a survey of terminated recipients in New York City.[1]

III. POLICY CONCLUSIONS

Overview

A number of policy conclusions and possible directions may be drawn from this survey of working mothers losing welfare benefits. The following conclusions are oriented toward activities which can be locally initiated and implemented. Such an orientation is appropriate because the Aid to Dependent Children (ADC) program is, for all practical purposes, federally controlled. The termination of the ADC recipients was as a result of federal directives. Thus, because ADC is a 50 percent federally-funded program with federal eligibility regulations, neither the local community nor even the State could simply reinstate the program with matching federal support--even if this step appeared locally justified. While New York State has assumed the income maintenance responsibilities for some individuals terminated from federal support by changed regulations, overall, fiscal constraints have prevented both the State and local governments from absorbing major federal cutbacks, per se. Thus, local governments and communities must cope with cutbacks as best they can.

Major Local Challenges

Leaving aside the major issues of State assumption of previously federal roles, the challenge to the community exists on two levels:

1. Basic Needs - The immediate needs of the terminated recipients (and others like them who would be eligible today had the regulations not been changed) for basic subsistence: food, shelter, medical care, etc.

2. Employment Related Services - Their long-term needs for assistance in successfully maintaining themselves off welfare.

Perspective on the Income of Terminated Clients

Some in the community may question the legitimacy of the unmet needs of the terminated recipients, particularly those needs of a long-term as opposed to a short-term or emergency nature. It is worthwhile to reflect on the income resources available to the terminated recipients--within a community context--as well as to identify the inadequacy of the "standard of need" concept.

The estimated average gross income of the terminated families was $8,386.80 (in January, 1982) or 108 percent of poverty (using the April, 1982 poverty line). Because these people, on average, were above the poverty level, is it reasonable to assume that they should be able to maintain themselves without public assistance? Unfortunately, the poverty line is not a magic number with regard to determining whether or not assistance should be provided. For example, the 150 percent standard of need rule has allowed families above the poverty line (e.g., approximately 105 percent of poverty in 1981 for a family of three) to remain on welfare in New York State. In addition, the Food Stamp program actually uses 130 percent of the poverty line (a higher base than the so-called "standard of need") as its assistance cut-off point. Indeed, federal programs have a variety of income eligibility criteria for various forms of "public" assistance--with eligibility often extending to cover those with incomes above the median. It should also be noted that the definition of the poverty line itself is often criticized as being unrealistically low and understating the needs of a family for a minimum adequate level of income. Interestingly, the U.S. Bureau of Labor Statistics' report (NEWS, 82-139, 4/16/82) on urban family budgets for the autumn of 1981

indicated that the total annual lower budget for a four-person family was $14,710 in Buffalo, N.Y. (nearest metropolitan area for which data was produced). An "intermediate" budget was calculated at $26,473 and a "higher" budget was $38,919. For the lower budget, it was calculated that $4,517 would be required for food expenditures alone. Admittedly, these are intended only as hypothetical budgets portraying three relative standards of living--lower, intermediate, and higher. However, these budgets help place the incomes of the families losing assistance in some perspective. (Note, the above cited report states that DOL's family budget data program was eliminated "as part of the recent [federal] budget reduction"). Finally, for perspective, it is worth noting that the 1982 estimated median income in Monroe County is $30,320.

Undoubtedly there were terminated families who by virtue of substantial work-related expenses and the ADC work-incentive may have had gross incomes significantly above the official poverty level. On the other hand, almost one-third of the terminated families retained Medicaid coverage, an indication that their incomes were not substantially above poverty. Thus many families can still be expected to require at least short-term assistance with basic subsistence needs.

Indicators of Subsistence Problems/Program Capacity

The Monroe County community has a number of programs available to assist individuals with their subsistence needs. However, the terminated recipients surveyed identified problems in a number of areas where more assistance might be appropriate for them (and others like them). Since going off welfare:

- 59 percent have had times without enough to eat.
- 42 percent have had unattended medical problems, primarily with teeth or gums.
- 54 percent have been late with rent or mortgage payments.
- 72 percent have been late in paying utility bills.

Programs which could theoretically provide assistance include:

Food - food shelves, soup kitchens, Salvation Army

Dental problems - Eastman Dental Center, Community College Dental Clinic

Housing subsidies - conventional public housing, Section 8 rental subsidies.

Utility payments - Home Energy Assistance Program (HEAP), Emergency Assistance through the Department of Social Services.

There are a number of reasons, however, why these existing programs apparently did not meet the needs of the terminated recipients. The most obvious is that the program does not have the capacity to assist any additional individuals.

Such is obviously the case with conventional public housing and Section 8, which had 1,627 and 2,331 households, respectively, on their waiting lists as of December 31, 1981.[1] A more recent indicator of housing needs is the fact that the Department of Social Services is now maintaining 170 families and individuals in hotels and motels in contrast to the 120 maintained in emergency housing a year ago.[2] This increase in "emergency housing" is seen as related to the lack of housing affordable by welfare recipients and the recent increase in the welfare caseload. The rent allotment for welfare recipients has not been increased since 1975; for one

person the allotment is $136 per month plus a home energy allowance of $14.10 for a total of $147.10 for rent and heat. In contrast, the so-called "fair-market-rent" under the Section 8 Housing Program was $262 for a one-bedroom apartment in December 1982.[3] The papers produced as part of this series (see title page) show many similar problems with capacity among various services.

This survey itself shows capacity problems with other basic subsistence needs. As mentioned above, the need for food is particularly disturbing. The adequacy of the funding and other support of community food programs might well be considered a priority item on the community's agenda. This problem is currently being considered by a City/County Nutrition Task Force. With respect to utilities, the possibility of obtaining a greater proportion of HEAP funds from the State through demonstrating Monroe County need should also be considered. In recognition of new demands for basic needs, the United Way has diverted approximately half of its 1983 discretionary monies for emergency assistance programs, such as those administered through the Salvation Army and settlement houses. Consideration should be given to the necessity to continue special funding of these programs, particularly in light of this survey's findings.

Problems with Program Access/Corrective Measures

It appears, however, that program capacity may not be the sole issue, particularly in programs that are not housing-related. Despite the fact that 87 percent of the respondents indicated at least one problem area, help was sought out from organizations by only approximately 25 percent. This differential may have resulted from not knowing about services, knowing about

services but not applying for some reason, or not being eligible for available services. Each of these situations might elicit a different appropriate response from the community.

As a corrective measure, more effort may be required to publicize the availability of basic services. Indeed, a better understanding of why certain families (i.e., those under considerable stress) do not seek services may be a prerequisite to improving the accessibility and actual use of services. A related point suggests that there is a need for an interagency procedure to keep track of service requests and denials. Such a procedure would serve to protect against unfair or inappropriate service decisions with respect to a given family as well as certain types of families. The level of service requests is likely to be related to a family's experience with denials--a very negative motivator. The policy reason for pursuing these matters concerns the obvious one of prevention or early problem solving. If solutions to family problems are not pursued because a working mother "drops out" under the stress of a negative services atmosphere, more serious health and social problems may occur later on and may require far greater public involvement and expense to deal with at that point.

Employment Related Services

The longer term needs of individuals in maintaining themselves off welfare also present a challenge to the community. The factors associated with redependency provide some clues to those needs -- young household head, presence of young children, short job tenure (less than one year), and Medicaid coverage (signifying a very low-paying job). Assistance to these families in remaining off welfare, therefore, might include day care services

and other supportive services allowing the household to satisfy basic needs (as indicated above). In terms of day care, for example, this survey indicated that United Way day care subsidies might be more effective in reaching certain working mothers if they took the form of a more flexible voucher system.

For those young, single-parent households with young children receiving income assistance (on "welfare"), the issue of employment is more difficult. Given the right conditions (e.g., desire to work, available day care), however, there would appear to be a good opportunity to utilize new Job Training Partnership Act (JTPA) funds to support strengthened employment assistance services--including job readiness training, remedial education, and job search and placement programs. Welfare mothers could essentially devote full time to preparing for and finding work--given their welfare income support.

The unemployed welfare population seems to be a natural focal point for the JTPA because of the fact that they are receiving a public stipend which could allow them to participate in various employment-oriented programs. The JTPA does not, of itself, provide for a living-allowance, thus limiting its potential clients.

It is disconcerting to note, as indicated by the survey, that some working mothers had actually lost job training services. This is not, however, surprising, in that another paper in this series (Employment and Training, 1/83) indicated that the overall level of employment services available in the community has sharply declined. It is clear from this survey

that failing to provide employment services (and related support services) to the population under study will probably create higher costs in welfare dependency. Social service agencies, in addition to the Department of Social Services, as well as public and private sector economic development efforts must play a part in reducing welfare dependency. An explicit focus needs to be given to this population so that resources and programming are fairly and cost effectively allocated. Job development efforts should produce opportunities for this population. Access to available jobs must also be considered—in terms of actual location and/or provision of public transportation. In the longer run, the use of public sector jobs must be reviewed by both State and local governments (failing a revived federal interest in subsidizing public employment).

While perhaps this need for an explicit focus on very low income families has always been present, the fact of the currently inflexible 150 percent of need eligibility rule creates a new urgency. It is possible that the long term effect of the 150 percent rule could be to increase the size of the dependent population. Because the welfare system is now less able to target needed support to help families in difficult financial situations, the larger community will need to reorient itself to provide practical and timely support--and prevent unwanted and unnecessary long-term dependency.

TECHNICAL APPENDIX
SURVEY METHODOLOGY

Background

The Monroe County Department of Social Services (DSS) furnished the Center with their list of ADC cases slated for termination on December 31, 1981. Examination of individual case records via the DSS computer revealed that some of the individuals on the original list had not been closed on December 31, 1981, some had been closed in error and immediately reopened, and some had not been ADC recipients at the time of closing. These individuals were deleted from the list.

A small number of individuals (11) appealed their closings via requesting Fair Hearings; these individuals continued to receive ADC benefits while awaiting the outcome of their Fair Hearings. Based on information from the DSS Fair Hearing Office, case by case determinations were made as to whether to include an individual in the survey. If the individual defaulted by not appearing at the Fair Hearing and was terminated as a result (three cases), the individual was included in the survey. If the termination was affirmed and the individual closed as a result (four cases), the individual was included in the survey. If the individual was terminated for reasons unrelated to the 150 percent rule prior to a Fair Hearing decision being rendered (two cases), the individual was not included in the survey. In one case the termination was affirmed but the individual's situation had changed so that the individual was not closed; this individual was not included in the survey. In one case the individual withdrew her Fair Hearing request because her situation had changed and her case was not to be closed; this individual was not included in the survey.

The final number of cases determined to be appropriate for inclusion in the survey was 292.

Survey

In order to contact former recipients, addresses and phone numbers were obtained from the DSS computer system. The information used was that from the individual's most recent contact with the Basic Assistance (ADC, Home Relief, or Emergency Assistance to Families), Food Stamps, or Medicaid systems. Further information was obtained from the United Way Day Care files and the R. L. Polk and Co. directories for Rochester and suburban Monroe County. In addition, lists of names, addresses, and most recent telephone numbers were sent to the Rochester Telephone Co., which responded with notations of current telephone numbers and indications of "no listing" or "unlisted number."

A first mailing was made in March to all terminated clients informing them of the Project and survey and requesting their participation. They were asked to return a stamped postcard to the Center indicating their current phone number and any preferred calling times. A total of 45 individuals responded to this first request.

Volunteers from the Masters in Public Administration program at State University College at Brockport were obtained through Sarah Liebschutz, Ph.D., Professor. Each of the 13 volunteers was given an average of 15 people to contact (194 potential contacts in all). The 45 individuals who returned postcards were included in this first round interviewing effort as well as 149 others with recent phone numbers known to DSS. The volunteers were given only the phone numbers of the former recipients; names were not given unless they had requested to be contacted at their jobs.

Phone interviewing took place in March and April with the following results:

Successfully completed survey	72
Refused interview	12
No contact possible*	7
No answer	19
Call back another time	21
No attempt made to contact	7
Disconnected phone/phone assigned to new party	56
	194

*All phone and address leads were exhausted.

Because (1) no attempt had been made to contact some of the individuals assigned for interview in the first-round, (2) more recent phone numbers had been determined for some of the 98 individuals not assigned in the first-round, and (3) a response rate greater than the first-round 25 percent was desired, it was decided to undertake a second-round interviewing effort.

In April letters were sent to those individuals who had not returned postcards earlier or who had not been contacted in the first-round and who had not had all phone and address leads exhausted; in all 197 letters were sent. The second-round letter offered the possibility of phone or in-person interview or mail questionnaire. Stamped postcards were included for the recipients' responses. In addition, address correction was requested from the Postal Service in order to identify forwarding addresses. This information permitted us to request phone numbers from the phone company using more recent addresses; it was also felt to be necessary if unsolicited home visits were to be performed.[1] Twenty-one postcards were returned--three requesting in-person interviews; four, phone interviews; and 14, mail questionnaires.

In April and May, volunteers were obtained through Genesee Ecumenical Ministries and the Diocese of Rochester Office of Social Ministry. Six volunteers were assigned a total of 69 individuals for interviews--six that had responded with postcards and 63 other individuals, those who had not had contact completed in the first-round and those who had not been assigned in the first-round but who had since had more recent phone numbers discovered. Because second-round volunteers were all employed, Center staff retained responsibility for contacting individuals who had requested daytime interviews. In addition, Center staff made the attempts to contact individuals who had not received letters informing them of the project because of address problems. After second-round volunteers returned their interview forms in May, Center staff attempted to contact those individuals for whom little or no attempt at contact was made by volunteers.

In the second-round interviewing effort, names as well as phone numbers of former recipients were shared with volunteers. Because some of the phone numbers were up to 22 months old, this procedure was found to be more expedient in determining whether the interviewer had reached the proper person who was refusing an interview or whether the person answering the phone had indeed never received ADC. It also decreased the numbers of requests to "call back" from people who eventually were determined not to be in the sample.

At the end of the survey phase of the study in June, the status of the contacts with the 292 former recipients was as follows:

Successfully completed survey	138
Refused interview	13
No contact possible[a]	22
Unable to contact known phone number[b]	23
No phone listing, known address[c]	53
Unlisted phone, known address[c]	35
Mail survey requested, not returned[d]	8
	292

[a]All phone and address leads exhausted or recipient moved out of area.
[b]Attempts to call or visit ended in busy signals, no answers, or requests to call back.
[c]Contact would require unsolicited home visit or mail survey.
[d]One mail survey was returned after analysis was completed.

Data Collection from the
Department of Social Services

In order to characterize the terminated population completely, to determine what benefits were lost in addition to ADC, and to ascertain the number of recipients who came back onto ADC, data were collected from the Department of Social Services computer system on each family included in the sample. (In fact, this data collection effort assisted in defining the sample--see Background.) This information included:

From Welfare Management System:
- address
- number of adults and children
- age of household head and children
- gross earned and unearned income in 1981 and source (not available for any family that had reapplied)
- amount of ADC grant and Food Stamps prior to closing; whether fuel and day care vouchers were received
- whether Food Stamps were also lost
- whether Medicaid were also lost
- whether and when reopened on ADC; amount of grant and Food Stamps, whether fuel and day care vouchers were received
- between closing and reopening (or present):
  - whether received Emergency Assistance
  - whether applied for ADC with denial of application

current welfare status:
- whether currently receiving ADC or Home Relief;
- amount of grant and Food Stamps; whether fuel and day care vouchers are received
- whether currently receiving Food Stamps; amount
- whether currently receiving Medicaid

From 638 System
ethnicity
net income in 1981 and source of income

SAMPLE BIAS AND LIMITATIONS OF CURRENT RESEARCH

The representativeness of the sample with regard to a number of variables was ascertained, and no sample bias was found. Thus the results obtained from the interviews can safely be generalized to the entire population terminated from ADC on December 31, 1981, as a result of the 150 percent rule.

The variables examined with regard to representativeness were:

- last known address
- ethnicity
- number of children
- age of youngest child
- age of household head
- amount of welfare (ADC and Food Stamps) received at time of termination
- lost benefits (combination of ADC, Medicaid, and Food Stamps)
- whether reopened on welfare

The limitations of the current research, however, should be recognized. The interviewed sample included only those individuals who were able to be located and, in general, interviewed by telephone. Speculation on those who could not be located revolved around thoughts of whether these individuals were better off, perhaps having married and thus become unknown by their former names, or whether they were worse off, having moved into an

abandoned car in a vacant lot. Because of the fact the distribution of last known addresses of those surveyed was not significantly different from those who were not, it is assumed that those who were not located were not significantly different from those who were.

Similar concerns arose with regard to those with known addresses but unknown phone numbers (and, therefore, possibly no phones) versus those with known addresses but unlisted phone numbers. Twelve percent of the population was unable to be reached because of unlisted phone numbers; some of those who were contacted also had unlisted phones which were obtained from various non-phone company sources, including returned postcards. Eighteen percent of the population was unable to be reached because of unknown (possibly no) phone numbers; some of those who were contacted had no phone but rather were contacted via friends, relatives, or work. In general, experience showed there were no basic differences among those with phones, those with no phones, and those with unlisted numbers. In fact, a number of individuals went from one to another of these categories as we attempted to contact them.

The timing of the survey may also have had some effect on the results. The time since termination ranged from less than 14-1/2 to almost 17 months depending on the timing of the interview or returned mail survey. As indicated in Section II-C, utility shut-offs were reported only by those interviewed in the latter times. Differential timing of the interviews may have yielded slightly different results.

Average times between termination and reopening receipt of EAF and application and denial, were, of course, constrained by timing of the sample. Assuming that additional individuals have contact with the welfare system, these average times would be marginally greater.

NOTES

I. A. FOOTNOTES

[1]Includes both ADC (eligibility based on parental absence, death, or incapacity and UADC (eligibility based on parental unemployment)

[2]See Human Services Data Sharing Project, Working Paper on Aid to Families with Dependent Children. By CGRI, Rochester, NY: July 1982, for a discussion of additional regulation changes.

[3]$181 for heat and rent, $30 for excess energy costs, $200 for all other expenses. These amounts may be less if actual shelter costs are less or if a family lives with other individuals not included in the ADC grant.

II. A FOOTNOTES

[1]New York State Department of Social Services, Characteristics of AFDC Families in New York State--Results of the March 1979 AFDC Characteristics Study, December, 1982.

[2]Center for Governmental Research Inc. tabulations of the Monroe County Department of Social Services 638 client file of July 31, 1980. These tabulations, although two years old, are the most recent ones available.

[3]Family size as of December 31, 1981. Family composition may have changed since termination from ADC; however, because information for the entire population was available only for the time of termination, it is this information which is being used in the analysis of the population.

[4]For descriptive and comparative purposes, age of family members on December 31, 1981, is presented. All analysis will be performed on age as of March 15, 1983, the start of interviewing.

[5]Last known address.

[6]This estimate was derived as follows:

411 - [x-30-1/3 (x-30) -75-87.98] = 128

where 411 = state standard of need for three-person family (average terminated family consisted of parent + two children) with maximum shelter costs

x = average gross income

-30 - 1/3 (x-30) = 30 + 1/3 work incentive disregard

75 = work-related expenses (amount currently set by federal regulations)

87.98 = average monthly child care expenses. An estimated 66% of the families had children requiring child care (34% of the children were 12+). The Data Sharing day care survey found that average out-of-pocket child care expenses for those families paying for child care was $30.80 weekly--$30.80 x 4.3333 weeks in a month x 66% = $87.98.

128 = average ADC grant

This estimate does not include child support or alimony payments made directly to DSS while the family was on ADC but available to the family as income following termination.

Because gross income history is not maintained on the DSS computer system, gross income at the time of termination could only be obtained for those families that had had no further contact with the ADC system (162 families). It could be hypothesized that those families without further contact with the ADC system were better off at the time of termination than those families who did have further contact and, therefore, that the gross incomes of the former families would be greater than the average gross income.

The average gross income from all sources of the 160 families without further contact with the ADC system and for whom income information from DSS was available was $774.64 monthly ($9,295.68 annually). As hypothesized, this amount is greater than the estimate derived above. This DSS-derived average, however, still excludes those alimony and child support payments going directly to DSS. Adding those payments for which information was available raises the average monthly income to $781.49 monthly ($9,377.88 annually).

In conclusion, the $698.90 monthly figure appears to be a valid estimate of the actual gross monthly income.

[7]If a family were eligible for $0.00 in benefits because net income equaled (but did not exceed) state standard of need, it would be considered open on ADC for purposes of receipt of Medicaid and other appropriate benefits.

[8]Thirty-eight families had these costs paid through their ADC cases. An unknown number of additional families may have had their day care costs paid through separate "services" cases.

[9]This estimate is based on gross income as estimated above less $75 in other work-related expenses (primarily taxes).

II. B FOOTNOTES

[1]Study by North Carolina's Research Triangle Institute, a university consortium as reported in the Democrat & Chronicle, 29 April 1983.

[2]As of March 15, 1983.

[3]As of March 15, 1983.

[4]A program providing "emergency help to families....who have suffered some sort of disaster, such as fire, flood, etc., or who need temporary assistance for housing, food, or utility costs"--County of Monroe 1982 Budget Plan Activity Detail, p. 347.

[5]Commonwealth of Massachusetts; Monmouth Co., NJ

II. D. FOOTNOTES

[1]Mathematica Policy Research, Inc., Recertification Pilot Study: Field Experience and Survey Results. (New York: Community Service Society, 1980), p. 34.

III. FOOTNOTES

[1]Rochester Housing Authority, Memorandum from David M. Storandt, Director of Leasing Operations to Maggie Barcher, Deputy Executive Director, August 26, 1982 as quoted in Human Services Data Sharing Project, Low/Moderate Income Housing.

[2]William R. Carreo, Deputy Director, Income Maintenance, Monroe County Department of Social Services.

[3]Rochester Housing Authority, Section 8 Office as quoted in Human Services Data Sharing Project, Low/Moderate Income Housing.

TECHNICAL METHODOLOGY APPENDIX FOOTNOTES

[1]Ultimately it was determined that home visits would not be undertaken because of the volunteer effort that would have been required and the questionableness of some of the addresses. The desirability of sending out unsolicited mail surveys was also discussed. It was decided that the length of the survey (17 pages) would deter individuals from responding unless they were given a monetary incentive, which was beyond the resources of the project. A shortened questionnaire was also considered for unsolicited mailing with the second mailing. However, complete information was considered most desirable, and there was concern that no one would choose an interview over a short questionnaire. Consideration was then given to mailing a short questionnaire to those persons still not contacted following the second-round of interviews. The response to a third mailing by persons who had not responded to two earlier mailings was anticipated to be poor, and the costs to the project in terms of postage, staff time, and delay in survey analysis were determined to be great. In the end, unsolicited mail surveys were not sent.